

Interface to Central Office "CI to CO" connections in AT&T TR 62411 (reference ee in Common Transport Attachment.

§4.3 (Cont'd)

For DS3 circuits, STS-1 circuits, and higher rate circuits, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office "CI to CO" connections in AT&T TR 54014.

MODIFIED
INTO
Sec. 9.2.4,
§4.4

When requested by AT&T, Dedicated Transport shall provide physical diversity. Physical diversity requires that two circuits can be provisioned in such a way that no single failure of facilities or equipment will cause a failure on both circuits.

Sec. 9.2.4,
§4.5

When physical diversity is requested by AT&T, the LEC shall provide the maximum feasible physical separation between intra-office and inter-office transmission paths (unless otherwise agreed by AT&T).

MODIFIED
INTO
Sec. 9.2.4,
§§4.6-7

Upon AT&T's request, the LEC shall provide immediate and continuous remote access to performance monitoring and alarm data affecting, or potentially affecting, AT&T's traffic.

MODIFIED
INTO
Sec. 9.2.4,
§4.8

The LEC shall offer the following interface rates for Dedicated Transport:

DS1 (Extended SuperFrame - ESF, D4, and unframed applications shall be provided);

DS3 (C-bit Parity, M13, and unframed applications shall be provided);

MODIFIED
INTO
Sec. 9.2.4,
§4.9

SONET standard interface rates in accordance with ANSI T1.105 and ANSI T1.105.07 and physical interfaces per ANSI T1.106.06 (including referenced interfaces). In particular, VT1.5 based STS-1s will be the desired interface at an AT&T service node.

SDH Standard interface rates in accordance with International Telecommunications Union (ITU) Recommendation G.707 and Plesiochronous Digital Hierarchy (PDH) rates per ITU Recommendation G.704.

The LEC shall provide cross-office wiring up to a suitable Point of Termination (POT) between Dedicated Transport and AT&T designated equipment. The LEC shall provide the following equipment for the physical POT:

DSX1 for DS1s or VT1.5s;

DSX3 for DS3s or STS-1s; and

LGX for optical signals (e.g., OC-3, OC-12)

The LEC shall provide personnel designated by AT&T physical access to the POT (for testing, facility interconnection, etc.) 24 hours a day, 7 days a week.

For Dedicated Transport provided as a system, the LEC shall design the system (including but not limited to facility routing and termination points) according to AT&T specifications.

Upon AT&T's request, the LEC shall provide AT&T with electronic provisioning control of an AT&T specified Dedicated Transport which is provided as a system.

MODIFIED
INTO
SCH. 9.2.4,
§4.10

Technical Requirements for Dedicated Transport Using SONET Technology

This Section sets forth additional technical requirements for Dedicated Transport using SONET technology including rings, point-to-point systems, and linear add-drop systems.

All SONET Dedicated Transport provided as a system shall:

1. Be synchronized from both a primary and secondary Stratum 1 level timing source. Additional detail on synchronization requirements are given in the Synchronization section of this Agreement.
2. Provide SONET standard interfaces which properly interwork with SONET standard equipment from other vendors. This includes, but is not limited to, SONET standard Section, Line, and Path performance monitoring, maintenance signals, alarms, and data channels.
3. Provide Data Communications Channel (DCC) or equivalent connectivity through the SONET transport system. Dedicated Transport provided over a SONET transport system shall be capable of routing DCC messages between AT&T SONET network elements connected to the Dedicated Transport element. For example, if AT&T leases a SONET ring from the LEC, that ring shall support DCC message routing between AT&T SONET network elements connected to the ring.

Support the following performance requirements for each circuit (STS-1, DS1, DS3, etc.):

1. No more than 10 Errored Seconds Per Day (Errored Seconds are defined in ANSI T1.231).
2. No more than 1 Severely Errored Second Per Day (Severely Errored Seconds are defined in ANSI T1.231)

All SONET rings shall:

1. Be provisioned on physically diverse fiber optic cables (including separate building entrances where available and diversely routed intra-office wiring). "Diversely routed" shall be interpreted as the maximum feasible physical separation between transmission paths (unless otherwise agreed by AT&T).
2. Support dual ring interworking per SONET Standards.

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3. Provide the necessary redundancy in optics, electronics, and transmission paths (including intra-office wiring) such that no single failure will cause a service interruption.
4. Provide the ability to disable ring protection switching at AT&T's direction (selective protection lock-out). This requirement applies to Line switched rings only.
5. Provide the ability to use the protection channels to carry traffic (extra traffic). This requirement applies to Line switched rings only.
6. Provide 50 millisecond restoration unless a ring protection delay is set to accommodate dual ring interworking schemes.
7. Have settable ring protection switching thresholds that shall be set in accordance with AT&T's specifications.
8. Provide revertive protection switching with a settable wait to restore delay with a default setting of 5 minutes. This requirement applies to Line switched rings only.
9. Provide non-revertive protection switching. This requirement applies to Path switched rings only.

Adhere to the following availability requirements, where availability is defined in ANSI T1.231:

1. No more than 0.25 minutes of unavailability per span per month; and
2. No more than 0.5 minutes of unavailability per span per year.

At a minimum, Dedicated Transport shall meet each of the requirements set forth in the following technical references:

ANSI T1.105.04-1995, American National Standard for Telecommunications - Synchronous Optical Network (SONET) - Data Communication Channel Protocols and Architectures;

ANSI T1.119-1994, American National Standard for Telecommunications - Synchronous Optical Network (SONET) - Operations, Administration, Maintenance, and Provisioning (OAM&P) Communications;

ANSI T1.119.01-1995, American National Standard for Telecommunications - Synchronous Optical Network (SONET) - Operations, Administration, Maintenance, and Provisioning (OAM&P) Communications Protection Switching Fragment;

ANSI T1.119.02-1997, American National Standard for Telecommunications - Synchronous Optical Network (SONET) - Operations, Administration,

INCLUDED
IN
SCH 2.3

Maintenance, and Provisioning (OAM&P) Communications Performance Monitoring Fragment;

ANSI T1.231-1993 - American National Standard for Telecommunications - Digital Hierarchy - Layer 1 In-Service Digital Transmission performance monitoring.

AT&T Technical Reference TR 54016, Requirements For Interfacing Digital Terminal Equipment To Services Employing The Extended Superframe Format, September 1989;

AT&T Technical Reference TR 62421 ACCUNET Spectrum of Digital Services Description And Interface Specification, December 1989 and all addenda;

AT&T Technical Reference TR 62310, DS0 Digital Local Channel Description And Interface Specification, August 1993 and all addenda; and

AT&T Technical Reference TR 62415, Access Specification For High Capacity (DS1/DS3) Dedicated Digital Service, June 1989 and all addenda.

INCLUDED
IN
SCH. 2.3

Signaling Link Transport

Definition

Signaling Link Transport is a set of two or four dedicated 56 Kbps. transmission paths between AT&T-designated Signaling Points of Interconnection (SPOI) that provides appropriate physical diversity.

Technical Requirements

Signaling Link Transport shall consist of full duplex mode 56 kbps transmission paths.

Of the various options available, Signaling Link Transport shall perform in the following two ways:

1. As an "A-link" which is a connection between a switch and a home Signaling Transfer Point (STP) pair; and
2. As a "D-link" which is a connection between two STP pairs in different company networks (e.g., between two STP pairs for two Competitive Local Exchange Carriers (CLECs)).

Signaling Link Transport shall consist of two or more signaling link layers as follows:

1. An A-link layer shall consist of two links.
2. A D-link layer shall consist of four links.

A signaling link layer shall satisfy a performance objective such that:

1. There shall be no more than two minutes down time per year for an A-link layer; and

TAB 6

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

Application of Ameritech
Michigan Pursuant to Section
271 of the Telecommunications
Act of 1996 to Provide In-
Region, InterLATA Services in
Michigan

CC Docket No. 97-137

Reply Affidavit of Theodore A. Edwards
on Behalf of Ameritech Michigan

Ameritech notifies MCI of the lack of spare facilities and allows MCI to decide whether it wants to submit a BFR for Ameritech to provide the loop through demultiplexing of the integrated digitized loops. MCI Agreement, Sch. 9.5(2.1.2). This is fully consistent with ¶ 358 of the First Report and Order.

CHECKLIST ITEM (v): UNBUNDLED LOCAL TRANSPORT

A. Common Transport

42. The DOJ and Ameritech's competitors claim that common transport -- that is, undifferentiated minutes of use on Ameritech's network -- is a network element. DOJ Br., pp. 13-15; AT&T Br., pp. 9-12; MFS WorldCom Br., 20-29. They further claim that because Ameritech does not provide common transport as a UNE, it fails to satisfy the checklist requirements for local transport, ULS, and UNE combinations (e.g., the UNE platform).

43. As I will discuss, the premise for those conclusions -- that common transport service is in fact a network element -- is erroneous for a number of reasons. First, the Commission has never addressed the common transport issue, and therefore common transport cannot be deemed to be a UNE. Second, the distinctions between network elements and services drawn by the Act and regulations preclude common transport from being a network element.

1. The Common Transport Issue Has Never Been Affirmatively Decided, and Remains Pending Before the Commission.

44. The question of whether "common transport," as defined by Ameritech's competitors, is required by the Checklist or qualifies as a network element has become one of the central

Checklist issues in this proceeding. The issue is so contentious because (i) it was not addressed in the First Report and Order and has been pending before the Commission for over nine months; (ii) it lies at the core of the interrelated disputes regarding the definitions of unbundled local transport, unbundled local switching ("ULS") and the unbundled network element platform ("UNE platform")^{12/}; and (iii) its resolution will determine whether common transport, which is already provided as a wholesale access service by Ameritech, must instead be priced at the lower rates applicable to UNEs. This, of course, will have a dramatic effect on the price of the UNE platform and collection of access charges.

45. Ameritech, AT&T, MFS and others have repeatedly discussed the common transport issue (and the related ULS and platform issues) with the FCC in a series of more than 20 ex parte letters and presentations dating back to at least January 22, 1997. Despite the unsettled status of the issue, however, the DOJ independently has concluded that common transport is a network element. DOJ Br., pp. 13-15. With all due respect, however, it is not the DOJ's (much less the CLECs') role to determine whether common transport is a network element. That issue properly must be decided in the first instance by the Commission. Given that the issue remains undecided, it would be irrational to claim that Ameritech has not satisfied the Checklist because it does not provide something that the Commission itself has never said must be provided.

^{12/} As stated in my initial affidavit (¶ 98), Ameritech will comply with the Commission's final resolution of this issue. Moreover, as described in Mr. Kocher's reply affidavit, Ameritech has committed to a billing "true-up" should the issue be resolved against it.

46. Similarly, it seems that it would be a denial of fundamental fairness for the Commission to determine Ameritech's Checklist compliance based on an issue still pending before it. Ameritech has no clear reason to believe that common transport is a Checklist requirement. Not only is the term "common transport" mentioned nowhere in the regulations, it is also mentioned only once in the 700+ pages of the Order itself (§ 258), and even that mention occurs outside the paragraphs where the FCC specifically defines the interoffice transmission.

47. AT&T tries to assert that this issue has already been resolved in its favor by the Michigan, Illinois, and Wisconsin state commissions. AT&T Br., p. 10; Falcone/Sherry Aff. ¶¶ 20-42. The MPSC, however, has properly recognized that "the issue of shared transport remains unresolved" while the industry awaits "clearer direction" from the Commission. MPSC Br., pp. 39-40. The MPSC also correctly notes that the Commission's decision might be affected by the results of the UNE platform trial being conducted by Ameritech and AT&T. *Id.*, p. 40.

48. In addition, the statements by the Illinois Hearing Examiner and Public Service Commission of Wisconsin in their state § 271 dockets are inconsistent with the MCI arbitration decisions in those states. In those orders, the ICC and PSCW found that the evidence did not establish that common transport was a network element required by the Act, Regulations, or First Report and Order, and therefore assigned the issue to the BFR process.^{16/}

^{16/} MCI/Ameritech Illinois Arbitration Decision, p. 29 [Att. 10]; MCI/Ameritech Wisconsin Arbitration Decision, p. 16 [Att. 12].

49. In light of the uncertainty on this issue at both the state and federal level, common transport cannot be considered in evaluating Ameritech's checklist compliance.^{17/} Despite the manifest uncertainty of the issue, however, AT&T, MCI, and MFS WorldCom continue to argue -- as they have in numerous ex partes in CC Docket 96-98 -- that the Checklist or First Report and Order somehow require common transport to be provided as a UNE. Rather than repeat all of the arguments and responses here, I will attempt to summarize Ameritech's positions and the flaws in the commenters' arguments, but would refer the reader to the ex partes for more detail. For ease of reference, I have attached a complete set of Ameritech's ex parte submissions on the issue [Atts. 16-26].

2. "Common Transport" is Not a Network Element or a Checklist Requirement

a. The Plain Language of the Act Precludes Common Transport from Being a Network Element or the Type of Transport Required by the Checklist.

50. The plain language of the Act, when read in light of engineering reality, makes it clear that common transport cannot be the UNE required by the Checklist or FCC regulations.

Checklist item (v) specifically defines the type of transport that a BOC must provide:

(v) Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.

^{17/} This is another reason not to consider common transport when evaluating Ameritech's satisfaction of the Checklist. The basic issue of how common transport should be priced. Ameritech's "true-up" proposal, explained in Mr. Kocher's affidavits, alleviates any concern that the IXCs or DOJ might have by ensuring that, if the Commission were somehow to conclude that common transport is a UNE, Ameritech's competitors will be compensated for past price differentials between the service and UNE.

Thus, the Checklist specifically requires unbundled transport to be able to be provided as a stand-alone network element, one that can be provided independently from switching. See also First Report and Order, ¶ 440 (requiring "unbundled access to shared transmission facilities between [i.e., not including] end offices and the tandem switch") (emphasis added); id., ¶ 425 (requiring incumbent LECs to provide "access to their tandem switch unbundled from interoffice facilities") If it cannot, then it cannot be the unbundled transport required by the Checklist.

51. As Ameritech's network engineer, Daniel Kocher, demonstrated before the MPSC, the "common transport" demanded by the CLECs cannot as a matter of engineering fact be provided separately (i.e., "unbundled") from switching. As he explained:

Transport facilities are, by their very nature, dedicated transmission facilities between two points. It is the switching that allows a given transport facility to be used as "common transport" -- that is, to carry a local call one minute, a toll call the next minute, and an access call to a long distance provider the minute after that, to and from any point in Ameritech's network. The interoffice transport facility itself (i.e., the trunks) only transports the digital bits, the ones and zeros, between the two specific switches.

4/7/97 Affidavit of Daniel J. Kocher, p. 19, Michigan § 271 Compliance Docket (emphasis added) (Ameritech May 21, 1997 submission, Vol. 4.1, Tab 116).

52. In addition, common transport traffic can only be completed using routing tables which are proprietary to Ameritech and which are not an inherent feature of either the switch or the transport capabilities in the network. Ameritech 5/9/97 ex parte, pp. 6-7 [Att. 24]; Ameritech 6/23/97 ex parte, pp. 26-27 [Att. 26]. The switch and switching software provided by switch vendors do not provide routing instructions. Rather, they provide the capability of acting on

routing instructions that are programmed by the operator of the switch. Ameritech's network engineers, for example, design its proprietary routing instructions. Nevertheless, Ameritech makes the same switch capability available to CLECs as part of its ULS, allowing CLECs to have their network engineers program their own routing tables into the switch. Alternatively, the CLEC can avoid the cost of creating its own routing tables by purchasing service from Ameritech for resale.

53. Ameritech's competitors concede that the common transport they demand cannot be unbundled from switching as required by the Checklist. *Falcone/Sherry Aff.*, ¶ 12 (common transport "is routed dynamically through the tandem switch"); *id.*, ¶ 59 ("[D]ynamic routing [an essential element of common transport as defined by the IXCs] is accomplished through the unbundled local switch."); *Ameritech 6/6/97 ex parte*, p. 1 (common transport "is a blended, direct-trunked and tandem-trunked arrangement with tandem switching included.") (emphasis added) (quoting AT&T letter from Bill Davis to Ameritech dated May 14, 1997) [Att. 25]; *Bingaman Aff.*, Ex. 11, pp. 1-2 (with common transport, "[l]ocal calls to or from LCI's local customers would be routed . . . pursuant to the existing routing instructions in the switch."); *MFS WorldCom Br.*, p. 21 (common transport would give CLECs "the ability to employ the existing routing instructions resident in each end office switch to route traffic over the common transport network"). Because common transport cannot be unbundled from switching and, in fact, must be combined with switching in a service-type arrangement for unlimited use of Ameritech's ubiquitous network, it cannot, by definition, be the type of unbundled transport required by the Checklist or regulations.

54. The Act's definition of "network element" also supports Ameritech's conclusion. The Act (§ 3(45)) defines a "network element" as:

[A] facility or equipment used in the provision of a telecommunications service. Such term also includes features, functions, and capabilities that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a telecommunications service.

(Emphasis added). As is clear from this definition, a "network element" always involves a discrete "facility or equipment." The Commission appears to agree with this reading. See First Report and Order, ¶ 678 ("the network elements, as we have defined them, largely correspond to distinct network facilities"); Universal Service Order, FCC Report 97-157, CC Docket 96-45, ¶¶ 150-51 (May 8, 1997) (defining "facility" as "physical components of the telecommunications network"). Common transport, however, which must be combined with switching and encompasses Ameritech's entire network, cannot be provided through discrete facilities. Indeed, in demanding common transport the CLECs confuse the unrestricted use of the ubiquitous switched network with the purchase of a distinct network element.

55. The definition of network element also is limited to those facilities or equipment that are "used in the provision of a telecommunications service." (Emphasis added). Common transport, by contrast, is not "used in" the provision of a service -- it is a service all by itself, as I explain below.

b. The Act's Distinctions Between UNEs and Resale Services Make It Clear That Common Transport Cannot Be a Network Element.

56. In addition to the plain language of the Act, the structure of the Act and regulations further demonstrates that common transport is not a network element. The Act and regulations draw a sharp distinction between UNEs and wholesale services, and common transport has none of the core attributes of a UNE.

57. First, as noted above, UNEs are discrete, identifiable facilities or equipment. See 47 U.S.C. § 153(45). Common transport, by contrast, is unrestricted use of the entire public switched network.

58. Second, UNEs entitle a CLEC to fully control a facility and compete by offering innovative products or services using that facility. See 47 C.F.R. §§ 51.307, 51.309; First Report and Order, ¶¶ 292, 297. The competitors seeking common transport, however, have no plans for innovative network design or configuration, but simply plan to purchase and resell the end-to-end service. As Ameritech explained in its June 23, 1997 ex parte, p. 30 [Att. 26], "AT&T has not identified -- and cannot identify -- a single new service that it can provide under 'common transport.' . . . AT&T or any other carrier purchasing [Ameritech's] Shared Transport consistent with the definition of that Network Element in the Act and FCC Rules, could provide different quality levels and types of service using Shared Transport."

59. Third, UNEs expose the purchaser to business risk; if the facility is underutilized, the CLEC still owes the same amount to Ameritech. See First Report and Order, ¶¶ 332, 334. The Commission specifically distinguished unbundled elements from services in terms of the relative risk involved in purchasing each:

If a carrier taking unbundled elements may have greater competitive opportunities than carriers offering services available for resale, they also face greater risks . . . [such as] the risk that end-user customers will not demand a sufficient number of services using that facility for the carrier to recoup its cost. . . . A carrier that resells an incumbent LEC's services does not face the same risk.

Id., ¶ 334.

60. Common transport, by contrast, involves no designated facilities and would be billed based on minutes of use, placing the purchasing CLEC in the exact same position as a reseller, i.e., it only pays for the amount of service it uses.

61. Fourth, unbundled interoffice transport must be provided in a manner that allows all carriers to connect to collocated equipment. 47 C.F.R. § 51.319(d)(2)(iii). Because there is no physical demarcation point to common transport that would allow such connection, however, it cannot be the sort of shared interoffice transport required by the Act and regulations. In addition, the FCC's regulations require that Ameritech provide access to the Shared Interoffice Transport Network Element to permit Ameritech to segregate carrier-specific traffic over that element and deliver it to a carrier's collocation space in an Ameritech Central Office. AT&T admits that, under its proposal, this cannot be done. Ameritech 6/23/97 ex parte, p. 26 [Att. 26].

62. Finally, the clearest proof that common transport is not a network element is that it is identical to tariffed wholesale and access usage services already being provided by Ameritech at wholesale rates. Common transport would use the precise same routing, trunk ports, trunks, and tandem switching that is used to provide local and toll usage and switched access service. As I noted in my initial affidavit (§ 93), these services are being used regularly by competitors. Thus, contrary to the DOJ's and CLECs' claims, Ameritech is in fact providing common transport at this time, but as what it is -- a service. Similarly, Ameritech is providing the UNE platform in the form of a package containing the unbundled loop, unbundled local switching, and wholesale usage.

63. The CLECs' descriptions of common transport confirm that their aim is to obtain existing wholesale usage at network element rates. For example, MFS WorldCom, for example, which started the common transport dispute, stated in its September 30, 1996 Petition for Clarification in CC Docket 96-98, pp. 1-2, that it was "not clear" whether the Commission's regulations required incumbent LECs to provide "tandem-switched transport on a network element basis" and requested that the Commission order incumbent LECs to provide "tandem-switched transport as single, combined network element." (Emphasis added). See also Sanborn Aff., § 37 ("With true common transport, as it is used in switched access service, carriers hand off their traffic at the tandem and receiving call terminating functionality throughout Ameritech's network on a call-by-call basis.") (emphasis added).

64. "Tandem-switched transport," however, is an existing, well-defined access service. See 47 C.F.R. § 69.111; Access Charge Reform First Report and Order, CC Docket 96-262, ¶ 158 (May 16, 1997). AT&T, for its part, acknowledges that common transport is a service when it demands that a customer being served by the UNE platform should, unlike other UNE purchasers, be migrated to AT&T using the exact same procedures as a resale customer. Ameritech 6/23/97 ex parte, p. 31 [Att. 26]. If common transport is a service, however, it cannot at the same time be a network element.

c. Proponents of Common Transport are Attempting to Create a Regulatory Loophole in the UNE/Service Distinction.

65. The distinction between UNEs and resale services has significant regulatory consequences, which is precisely why Ameritech's competitors want to shoehorn common transport into the UNE category. Specifically, the most important regulatory distinctions are that (1) UNEs have more favorable pricing than resale services (cost-based prices versus discounts from retail rates, compare 47 U.S.C. § 252(d)(1) and (d)(3)); (2) a CLEC using UNEs may collect access charges in some cases, while access charges for resale services belong to the incumbent LEC (see 47 C.F.R. § 51.515); and (3) large IXC's cannot jointly market interLATA service with resold telephone exchange service from a BOC, but they can jointly market with their UNE-based local service. 47 U.S.C. § 272(e)(1).

66. The IXC's want to game this system to take advantage of the pricing, access charge, and joint marketing benefits of UNEs without also facing any of the concomitant business risks and engineering responsibilities associated with UNEs. Allowing this subterfuge, however, would

completely undermine the UNE/resale pricing paradigm established in the Act and, consequently, cause dramatic, unanticipated revenue shifts. This would deal a crushing blow to local competition. For example, requiring common transport service to be provided at UNE prices would reduce the incentive for CLECs to construct independent facilities.

3. The DOJ's and CLECs' Remaining Claims Are Baseless

67. Although the above discussion refutes most of the claims of the DOJ and CLECs, some require specific discussion.

a. DOJ

68. The DOJ's primary argument on common transport (pp. 14-15) is that because (i) Ameritech is required to combine network elements under Section 251(c)(3), and (ii) "common transport" is used in conjunction with network elements such as local and tandem switching, "common transport" must itself be a network element. Rebundling, however, does not magically transform a service into a network element. While Section 251(c)(3) does require Ameritech to "provide such unbundled network elements in a manner that allows requesting carriers to combine such elements," each network element that is to be combined must, by definition, be capable of being provided on an unbundled basis in the first instance. As defined by Ameritech's competitors, however, "common transport" cannot function without tandem switching. Consequently, "common transport" cannot be provided on an unbundled, stand-alone basis and cannot qualify as a network element.

b. AT&T

69. AT&T launches the most aggressive attack on the common transport issue,^{18/} but still fails to prove that common transport can be viewed as a network element or the type of transport required by the Checklist. At the outset, it is important to note what AT&T does not challenge. First, AT&T, like the DOJ, does not argue that common transport can, in fact, be unbundled from switching. Second, AT&T does not alleges that common transport service is a discrete network facility rather than unrestricted use of the entire network. Third, AT&T does not dispute that Ameritech is in fact already providing common transport service on a wholesale basis.

70. AT&T begins by claiming that "shared" and "common" transport are synonymous and interchangeable in industry usage. AT&T Falcone/Sherry Aff., ¶ 10. As Ameritech's January 28, 1997 ex parte submission noted, however, common transport is a loosely-used term in the industry and is generally employed to conceptually refer to basic network connectivity. [Att. 17, p. 4]. Further, the term "common transport" is officially used by the Commission to define an access service rate element under 47 C.F.R. § 69.111, which describes "Tandem Switched Transport," a service.

71. AT&T also asserts that Ameritech does not truly offer "shared" transport. AT&T Br., p. 11; DOJ Br., p. 13. The AT&T Agreement, however, clearly provides for "shared

^{18/} MFS also addresses the issue at length (pp. 20-29), but largely makes the same arguments as Falcone and Sherry.

transport," unbundled from switching and other services as required by the Checklist, in Schedule 9.2.4. Moreover, Ameritech has gone beyond its legal obligations and accommodated AT&T by developing a minutes-of-use pricing option for shared transport.^{19/} Edwards Aff., ¶ 101-02.

72. AT&T next alleges that other RBOCs have agreed to offer common transport as an unbundled network element. AT&T Falcone/Sherry Aff., ¶¶ 14-18. Notably absent from the Falcone/Sherry affidavit, however, is any mention of those RBOCs' rate structures or carrier access and usage structures, which makes comparison to Ameritech's various transport products difficult. As a result, AT&T may be misrepresenting what those RBOCs have actually agreed to provide. In addition, it is not clear that those RBOCs have thought through the technical aspects of the issue to the same extent as Ameritech. Bell Atlantic, for example, allegedly promises common transport that is "distinct and separate from local switching." Falcone/Sherry Aff., ¶ 15. Just how that would occur as a practical matter, or how it would be priced and billed, are not discussed by AT&T, even though Ameritech has pointed out the technical barriers to such an arrangement in both the Michigan and Illinois § 271 compliance dockets.

73. AT&T then proceeds to reiterate arguments thoroughly addressed in the ex parte process, specifically that by not providing common transport service as a network element, Ameritech

^{19/} AT&T asserts that the Commission's use of minute-of-use pricing for interoffice transport proxy rates indicated that it contemplated common transport as a UNE. Falcone/Sherry Aff., ¶ 9. In discussing its proxy pricing for shared transmission facilities, however, the FCC made it clear that it did not include any rates for "tandem switching." See First Report and Order, ¶ 823.

would somehow force competing carriers to construct an entire duplicate transport network or would lead to overloading of Ameritech's tandem switches. AT&T Falcone/Sherry Aff., ¶¶ 43-49. As I explained in my initial affidavit (¶¶ 103-104), these claims are based on flawed assumptions about how rational CLECs will engineer their networks. Further, the availability of Ameritech's Shared Company Transport service also makes these alleged problems much less likely to occur.

74. Falcone and Sherry next contend that common transport must be a network element because, if it were only a service, Ameritech would not be required to offer it for resale. Falcone/Sherry Aff., ¶¶ 50-51. The fact, however, is that common transport service is currently provided via Ameritech's access tariffs, and an access tariff is by definition a wholesale tariff. Falcone and Sherry also overlook the fact that the MPSC and/or FCC would certainly monitor any attempt by Ameritech to withdraw a service that was truly necessary to competition.

75. AT&T also claims that a UNE may encompass multiple facilities, and therefore common transport's inextricable tie to switching elements is unimportant. As an example, they refer to the signaling UNE, which they allege cannot be separated from the local switching UNE even though both are separate network elements. Falcone/Sherry Aff., ¶ 56; see also MFS WorldCom Br., p. 22. This argument is both wrong and irrelevant. First, even if it were true, Congress has distinguished local transport from signaling by specifically requiring transport to be unbundled from switching, while no such requirement applies to signaling. Compare 47 U.S.C. § 271(c)(2)(B)(v) with (B)(x). Second, in the case of signaling and switching there are

discrete, defined interfaces at which either element can be combined with other UNEs or with elements provided by a third party. Common transport allows no such interface to connect to CLEC or third party facilities; it is strictly a service available in conjunction with Ameritech's loops and ULS. Third, despite AT&T's assertions, CLECs are obtaining signaling from Ameritech today even though none has purchased ULS. Edwards Aff., ¶ 152.

76. AT&T also claims that common transport service is somehow different when provided as a network element rather than a service. Falcone/Sherry Aff., ¶¶ 60-63. Their discussion, however, consists of nothing more than a comparison of the features of UNEs and services; there is no attempt to answer the threshold question of whether common transport could ever be viewed as a network element in the first place. Moreover, the definition of a network element cannot change depending on whether it is provided on a stand-alone basis or as part of a combination. As noted above, rebundling does not transform a service into a network element.

77. For good measure, AT&T reiterates its incessant allegations that Ameritech somehow misled it regarding its position on dedicated/shared versus common transport. Falcone/Sherry Aff., ¶¶ 20-34 & Exhibit A. AT&T apparently feels compelled to discuss this at length in hopes of excusing its failure to raise it as a matter for arbitration in any state, as was its sole responsibility. See 47 U.S.C. § 252(b)(2). Mr. Edward Wynn, who was personally involved in the negotiations and arbitrations with AT&T, reveals the flaws and omissions in AT&T's version of events in his affidavit. The short answer is that AT&T voluntarily agreed to Ameritech's definitions of shared and dedicated transport in both Michigan and Illinois after

corrections to those definitions had been bold-text highlighted in negotiation drafts of the agreement.

c. MFS WorldCom

78. Like the DOJ and AT&T, MFS rests its arguments on the erroneous assumption that common transport is somehow a network element. MFS WorldCom Br., pp. 20-29. MFS does, however, go on at some length about the alleged dire consequences of not treating common transport as a network element. *Id.*, p. 28. Some of these I have responded to already, such as the claim that the lack of common transport would require CLECs to build duplicate networks and would deny affordable transport to low-volume competitors (MFS WorldCom Br., p. 28), in my discussion of Shared Company Transport. Edwards Aff., ¶¶ 100-103. Other claims, such as that CLECs will be forced to pay for customized routing in every switch, may exhaust customized routing capacity, must make separate arrangements with each IXC, and will be denied the efficiencies of Ameritech's network (MFS WorldCom Br., p. 29) all boil down to a complaint about price. MFS simply wants transport to be cheaper and easier than the Act and regulations require.

4. Ameritech's Transport Offerings Allow for Substantial Competition

79. In contrast to common transport, Ameritech's dedicated and shared transport elements and its offering of a platform including common transport provide ample opportunity for competitive entry and pricing along all three entry paths, as I described in my initial affidavit (¶¶ 99-104). For example, as Ameritech demonstrated in its March 28, 1997 *ex parte*, a CLEC

using Ameritech's offerings could save up to 50 percent off of Ameritech's retail rates. [Att. 22].

B. Miscellaneous Transport Claims

80. As for unbundled transport issues not related to common transport, MCI asserts that "competitors have indeed attempted to order [unbundled local transport], but have not succeeded." MCI Br., p. 27. That is incorrect. As I specifically stated in my initial affidavit (§ 93), "[t]o date, no carrier has specifically ordered unbundled shared or dedicated transport under an interconnection agreement." That is still the case today.

81. TCG makes a similarly unfounded claim that it is "unaware of the availability of Ameritech's OC-3, OC-12, and OC-48 Services on an unbundled basis" and "unaware of any unbundled offering of interoffice transmission facilities that has been made available to TCG." Pelletier Aff., § 27. In fact, OC-3, OC-12, and OC-48 facilities, as well as other shared and dedicated interoffice transport facilities, are plainly provided for on an unbundled basis in the AT&T and Sprint Agreements (Sch. 9.2.4), to which TCG has access through its MFN clause. The Illinois Hearing Examiner found this to be a perfectly acceptable way of satisfying the local transport requirement of the Checklist. Illinois 6/20/97 HEPO, pp. 71-72. [Att. 4].

CHECKLIST ITEM (v): UNBUNDLED LOCAL SWITCHING

82. Ameritech's contractual offering of unbundled local switching ("ULS") is fully described in my initial affidavit (§§ 106-116). The underlying issue in the debate over ULS (aside from

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